Incentives to Power Sector to attract Foreign and Private Capital

3791. SHRIMATI KAMLA SINHA:

SHRI RANJAN PRASAD YADAV:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that in the current fiscal year Government have offered various incentives to power sector to attract foreign capitals as well as private sectors;

(b) if so, what amount of definite response the Government has received so far in conventional and non-conventional energy sectors to augment the present demand of electricity;

(c) whether any effort has been made by Government to increase allocation in non-conventional energy sectors which are directly beneficial to rural people; and

(d) if so, what are the financial allocation in R&D of non-conventional energy sector and what percentage of rural power demand is being met by non-conventional power sources and its details?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) During the current fiscal year the following incentives have been offered to undertakings in the Power Sector set up for electricity generation, and distribution in India:

(i) The customs duty for import of power equipment has been reduced to 20% and this rate has also been extended to machinery required for modernisation and renovation of power plants.

(ii) A five year tax holiday has been allowed in respect of profit and gains of new industrial undertakings set up anywhere in India for either generation or distribution of power. The five year tax holiday will begin from the year of generation of power.

(iii) The excise duty on a large number of capital goods and instruments in the power sector has been reduced to a uniform rate of 5%.

These incentives are in addition to those offered under the policy already in vogue to encourage private sector participation in electricity generation, supply and distribution.

(b) Expressions of interest have been received for setting up of 46 Power Projects in the Conventional Sector aggregating of 25120.50 MW costing Rs. 76025.39 crores. Ministry of Non-Conventional Energy Sources are encouraging private sector participation for generation of power/energy through Non-conventional Energy Sources. Financial/fiscal incentives in the form of soft term loan depreciation allowance, excise duty and central sales taxes exemption, relief in customs duty etc. are being provided to private sector promoters. Some of the private sector companies have come forward for taking up Wind Power Project.

(c) Yes, Sir. During the 8th Five Year Plan the allocation of Non-Conventional Energy Sector has been increased to Rs. 857 crores as against an outlay of Rs. 412.35 crores for the 7th Five Year Plan.

(d) Financial allocation for R&D in the Non-Conventional Energy Sector is made on year to year basis depending on requirement and priorities during that year. No demarcation has been made for R&D during the 8th Plan. Upto March, 1993 166.186 MW aggregated capacity has been installed based on various non-conventional energy sources such as wind, small hydel, bio mass based sources and solar photo voltaics. It forms a very small fraction of rural power demand.

Haryana's share in the power Generated from Bhakra

3792. SHRI S. S. SURJEWALA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the share of Haryana is 54 per cent in the Satluj-Beas